



Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271

Fax: (203) 866-9856

Third Taxing District of the City of Norwalk

Commission Meeting

Monday, May 6, 2019 at 7:00p.m.

At the Third Taxing District Office, 2 Second Street, East Norwalk, CT

1. Public Comment – 15 Minute Limit
2. Marvin PTA Donation Request – A/R (Pgs. 1-5)
3. Norwalk Rotary Club Donation Request – A/R (Pgs. 6-9)
4. Minutes of Meeting – April 15, 2019 Regular Meeting – A/R (Pgs. 10-12)
5. Discussion/Analysis of Financial Statements/Key Performance Indicators (Pgs. 13-19)
6. General Manager's Report
 - District Stipend Proposed Policy & Payment Schedule – A/R (Pgs. 20-21)
 - APPA Conference Travel Request – A/R (Pg. 22)
7. Undergrounding (Pgs. 23-29)
8. Project Summary (Pgs. 30-38)
9. Adjourn

*A/R – Action Required/See Attached Motion

Agenda backup material is available at the TTD office, www.ttd.gov and will be available at the meeting.

M:\Shared\ Commission Meeting Information\Agenda 5-6-19.doc

District Commissioners

Johnnie Mae Weldon
Debora Goldstein
Pamela Parkington

203-216-2652
203-252-7214
203-858-4261

Chairperson
Commissioner
Commissioner

Kevin Barber
Ron Scofield
Ed Holowinko

203-866-9271
203-866-9271
203-858-5750

General Manager
Assistant General Manager
Treasurer



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Third Taxing District Policy on Contributions from District Funds

PURPOSE:

To define the Third Taxing District ("TTD") policy on contributions to charitable or civic or educational organizations or other organizations or events who request funds from the District Budget.

POLICY:

The TTD policy regarding contributions and donations provides that disbursements of District funds (as approved by rate-payers at the District's annual meeting) will be made in full compliance with the District's charter and all applicable laws, and that no disbursements of District funds will be made, either directly or indirectly, to any organization, program or activity that does not primarily benefit residents, businesses and rate-payers of the Third Taxing District. This policy is not meant to define or restrict capital expenditures that are otherwise the responsibility of the District under the Charter or to define or restrict expenditures that are otherwise the responsibility of the Electric Department.

The Commissioners of the Third Taxing District may authorize, by a majority vote of those present and voting, a distribution from District funds for a charitable, educational or civic purpose so long as funds have been allocated by the rate-payers to the District budget, but have not otherwise been directed for a specific purpose.

Any contribution (as defined above) must be disbursed and spent during the same fiscal year in which the expenditure was approved. Recipients of District funds under this policy must be substantiated with written receipts or other evidence in a timely fashion.

Contributions will not be made to:

- a. Religious organizations, except that contributions may be made to support eligible religious organization sponsored activities provided they are offered on a non-sectarian basis.
- b. Social groups or fraternal organizations, except that contributions may be made to support eligible activities that are sponsored by such organizations.
- c. Political parties or organizations that are intended to promote individual candidates for election.
- d. Any charitable or civic organization whose stated purpose or by-laws enables contributions to other organizations.
- e. Any organization that fosters or encourages racial, religious, gender, class or other prejudices.
- f. Any organization that has received funds from the District within the last five fiscal years without supplying written proof that the funds were used in compliance with this policy.
- g. Any organization that is subject to collection action, liens or litigation to collect funds owed to the Electric Department or the District or has settled a similar action in the past five fiscal years.
- h. Any charitable or civic organization that represent a conflict of interest (or the appearance of a conflict of interest) for one or more Commissioners, the Treasurer, the District Clerk, or any employee of the Electric Department.
- i. Any individual, business or organization seeking hardship relief in connection with electric service or other services provided by the District.
- j. For any purpose in which the funds provided by the District replaces ordinary operating funds or grants, donations or contributions that the organization is otherwise qualified to receive (matching funds are encouraged).

Any organization seeking funds from the Third Taxing District Budget shall submit a request form and supply such supporting documentation or information as may be required with such request form and in accordance with any deadlines that may be established by the Commission or its authorized representative from time to time.



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Third Taxing District Application for Contribution from District Funds

This completed application will be reviewed for eligibility by District Staff and for approval by the Third Taxing District Commission. All information will be subject to review and dissemination under the state's FOI regulations for public records.

Overview

- District funds are maintained from the proceeds (when available) of the Third Taxing District Electric Department under a budget that is approved by the electors of the District at the annual meeting.
- Distributions from the District funds are intended to primarily benefit residents, businesses and rate-payers of the Third Taxing District.
- District funds are not intended to help with individual financial hardship requests, except as administered through a designated agency funded for that purpose.
- Decisions regarding fund disbursements are dependent upon timely, properly documented requests that meet the requirements of the "Third Taxing District Policy on Contributions from District Funds" and any applicable governing documents.
- All determinations made by the Commission shall be final and binding, and shall be made by the Commission in its sole discretion.

Full Name: Marvin Elementary School	Date of Application: April 29, 2019
Legal Address: 15 calf Pasture Beach Road	Needed by:
Organization: Marvin Elementary School PTA	Preferred Phone#: (203) 868-5340
Amount Requested: \$5,500	Preferred Email: marissabmangone@gmail.com

Describe in detail your reason(s) for this request.

Please See attached

Attestation (check boxes)

Qualified

☒ I attest that my organization meets the stated requirements for a contribution from District funds and that this request is made to primarily benefit residents, businesses or rate-payers of the District.

No Conflict

☒ I attest that neither my organization, nor any individual associated with this request, represents a conflict of interest for any of the Commissioners, the Treasurer, the District Clerk or any of the employees of the Electric Department.

Should your request be approved, will you consent to be publicized? Y ☒ N ☐

By signing below, I verify that I understand the purpose of the Third Taxing District Funds and the requirements for contributions from these funds. I verify that the information provided in this application is true to the best of my knowledge.

Signature of authorized representative:

Norman B. Mangone

Date:

4/29/19



Marvin Elementary School PTA
15 Calf Pasture Beach Road
East Norwalk, CT 06855

April 29, 2019

Commissioners
Third Taxing District of the City of Norwalk Electrical Department
2 Second Street
East Norwalk, CT 06855

Dear Commissioners,

Please accept our deep gratitude for the generous support the Third Taxing District (TTD) has provided to the elementary school children of East Norwalk over the years. TTD has been an invaluable community partner helping to facilitate a variety of enrichment opportunities for our school community.

The Marvin PTA is a volunteer organization comprised of parents, teachers, and administrators who work together to help make life at Marvin the best it can be. As a PTA we rely on the kindness and generosity of local companies, family, friends, and neighbors to help leverage resources so we can help to improve the educational, social, and developmental experiences of our children. Marvin Elementary is a Title I School; 64% of students receive free/reduced lunch. The PTA helps to generate additional revenues used to support enrichment activities, school assemblies, and field trips that are often not included in our school budget. Through these programs are students are exposed to experiences that they would likely not have access to in their everyday lives.

We kindly ask the Third Taxing District to consider once again supporting Marvin Elementary School for the 2019-2020 school year. Specifically, we are requesting funding in the amount of \$5,500 which will be used to support programming designed to complement school curriculum focused on electricity and energy conservation and will allow students the opportunity to access learning outside the classroom through field trips, as well as bringing scientists into the classroom.

“Power Play” an inquiry-based exhibit for Kindergarten (\$700)

As part of the kindergarten curriculum, students study the conservation of energy and energy transfer. Through this in-classroom presentation, students will learn about powerful energy sources (sun, wind, and water). In addition, students will explore the importance of these renewable resources through inquiry-based activities, including measuring wind-generated electricity and creating water turbine. Stepping Stones Museum for Children will facilitate this exhibit and “prompt students and teachers to uncover the many levels of learning opportunities,” (*Stepping Stones Museum*).



CT Science Center trip for the Fifth Grade (\$3,000)

As part of the fifth grade curriculum, students review all energy concepts (learned in prior grades), including the conservation of energy. The CT Science Center offers hands-on applications (exhibits and laboratories) that help students relate abstract concepts to the real world. Students also have the opportunity to explore exhibits that include energy topics related to water and electricity, studied in third and fourth grades respectively. Students will tour Energy City, a virtual city where they will explore/discover alternative energy technologies (wind turbines, solar panels, hydro power, fuel cells, and biomass products) and the impact they have on the planet. Additional exhibit highlights include mapping the paths of electricity through a model of a city, calculating their personal carbon footprint, touring the Conservation Energy House and participating in search-and-find activities. Many of the exhibits afford problem solving and engineering concepts for students to investigate, which is a vital skill in all facets of science. The field trip to the CT Science Center provides Marvin students access to experiences they will continue to draw from as they approach other areas of energy and physical sciences in their academic careers. The requested funding will cover admission to the CT Science Center as well as transportation.

Energy Lab® Grade Level TBD (\$900)

This exciting and all-awesome, Energy Lab is a wet, wild and wonderful way for students to learn about the science of energy. Students will visit Stepping Stones Museum where they'll find a "working lab" that inspires a natural curiosity to imagine and event. Water, wind and sun offer opportunities for children to explore new ways to generate electricity and conserve resources. Outdoor exhibit components and interactive sculptures introduce energy transformation principles using renewable energy. Energy Lab features:

- **Solar Lab:** It's hot, it's bright, and it's one of the strongest sources of power in the solar system. Students will explore solar power and learn how to use the sun's energy to generate electricity and hear things up.
- **Potential Energy Platforms:** Students will climb the platforms to increase potential energy and gain a birds-eye view of Energy Lab.
- **Win Lab:** Students will experience a giant wind tunnel that reveals the force of wind and how we can use wind to make amazing things happen.
- **Water Lab:** Waterfalls, basins, funnels and water wheels entice students to pump, push, turn, and direct water to perform everyday activities. As students explore hydropower, they will understand how water can make things move to generate electricity.
- **Coal, Oil, Natural Gas and Uranium Lab:** Students will get on down and crawl below the surface of the earth to see where coal, oil, natural gas and uranium come from. Students will learn about the impact these resources have on our everyday lives and why they are limited (*Stepping Stones Museum*)

Stream Table Investigations for Fourth Grade (\$900)

Stream Table Investigations allow students to make observations of energy transfer through the force of water (waves) which can cause objects to move. The investigation also allows students to build their knowledge of different types of energy including electricity. This hands-on inquiry provided by our local Maritime Aquarium is embedded in the unit as part of our Next Generation Science three (3) dimensional



15 Calf Pasture Beach Rd, Norwalk, CT 06855 | (203) 899-2890 | <http://mes.norwalkps.org>
learning, Science and Engineering Practices. Students will learn to construct explanations and design solutions that build experiences and provide explanations that describe and predict phenomena in

designing multiple solutions to problems. Our new thematic units enable students to conduct investigations, make observations, test ideas, and communicate their understanding as well as play an important role in developing new ideas and concepts.

Again, we are truly grateful for your partnership. On behalf of the children, faculty and staff, we thank you in advance for your consideration of this request. Should you have any additional questions, please feel free to contact Marissa Mangone at marissabmangone@gmail.com.

Sincerely,

Marisa Mangone, PTA President
Sarah Mills, PTA Secretary



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- All determinations made by the Commission shall be final and binding, and shall be made by the Commission in its sole discretion.

Full Name: <i>Charles Yost</i>	Date of Application: <i>4-3-19</i>
Legal Address: <i>17 Gregory Blvd Norwalk, CT 06855</i>	Needed by: <i>ASAP</i>
Organization: <i>Norwalk Rotary Club/Norwalk PBA</i>	Preferred Phone#: <i>203 856 7391</i>
Amount Requested: <i>\$1,000.00</i>	Preferred Email: <i>CYOST5@gmail.com</i>

Describe in detail your reason(s) for this request.

Norwalk's Rotary's stated mission is to provide service to others, promote integrity, and advance world understanding, goodwill, and peace through its fellowship of business, professional and community leaders. This year we are planning a Miniature Golf Tournament at Cove on May 16 and will be conducted for the benefit of the Norwalk Police Benevolent Association. We want to thank them for their service. Your award of \$1,000 will be for a LEAD Sponsorship. Please take a look at the attached documents.

Attestation (check boxes)

Qualified

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No Conflict

☒ I attest that neither my organization, nor any individual associated with this request, represents a conflict of interest for any of the Commissioners, the Treasurer, the District Clerk or any of the employees of the Electric Department.

Should your request be approved, will you consent to be publicized? Y ☒ N ☐

By signing below, I verify that I understand the purpose of the Third Taxing District Funds and the requirements for contributions from these funds. I verify that the information provided in this application is true to the best of my knowledge.

Signature of authorized representative:

Charles Yost

Date:

4-1-19



Sponsorship/Advertising Participation Package Putting for Charity 2019

March 2019

Dear Community Supporter:

I am extremely proud to serve as a member of the Golf Committee of the Norwalk Rotary Club. I am writing to you today with the hope that you will support our upcoming fundraiser—**The 1st Annual Putting for Charity Event**—by sponsoring our event. On May 16th, 2019, this Kick off to the summer season starts at 5:30 pm at Cove Miniature Golf, Beach Rd, Norwalk. Rain date is May 23rd.

Guests will enjoy culinary delights, including dinner, beer, wine, dessert, and fun! Food and drink will be provided by Ripka's Beach Cafe. Parking is available there. Also we will have a speaker who is Supervisory Special Agent, Fairfield County from the FBI, raffle prizes, golf prizes, 50-50 and great networking. Our event benefits our local Norwalk Police Benevolent Association officers as a thank you for their service in keeping Norwalk safe!

The Norwalk Rotary Club's mission is to provide service to others, promote integrity, and advance world understanding, goodwill, and peace through its fellowship of business, professional, and community leaders. Norwalk Rotary is committed along with Rotary International to wipe out polio worldwide. We are heavily committed to our community as we strongly emphasize the Rotary motto of "Service above Self". We strive to make a difference one project at a time. Projects we have funded include STEM Summer Camp for High School Girls, Family & Children's Services Camp Scholarships, promote literacy through the distribution of Dictionaries to all 3rd Grade Students in Norwalk Public Schools, and scholarships to graduates of the Norwalk high schools.

For additional information for **The 1st Annual Putting for Charity Event**, please contact Charlie Yost 203-856-7391 or cyost5@gmail.com. Tickets can also be purchased at puttingforcharity.eventbrite.com Thank you for supporting such a worthwhile event to benefit the community!

Sincerely,

Golf Committee Norwalk Rotary Club

Contacts:

Charlie Yost
Cyost5@gmail.com
203-856-7391

Claudia Tata
cpt1209@gmail.com
203-910-7477

Tom Vetter
vetttert@snet.net
203-247-1427

Chris Cooke
Chris14000@aol.com
203-247-3202

Putting for Charity Event Sponsorships & Advertisements May 16, 2019 5:30 pm – 9:00 pm

Sponsorships

<i>Putting for Charity Lead Sponsor:</i>	\$1,000 4 tickets to the event Business name or logo on event, signage at event; publicity/recognition/press before & during event.
<i>Platinum Sponsor:</i>	\$750 2 tickets to event Business name on sponsor board at event; publicity/recognition/press before & during event
<i>Gold Sponsor:</i>	\$500 1 ticket Business name on sponsor board at event; publicity/recognition/press before & during event
<i>Hole Sponsor:</i>	\$100 Business name at hole tee box;

Cut-off date for participation: May 11, 2019

Sponsorship/Advertising Participation Form Putting for Charity 2019

Company Name: _____

Contact Name : _____

Mailing Address _____

City: _____ State: _____ Zip: _____

Phone: _____ Email: _____

Sponsorship Level

Putting for Charity Lead Sponsor	\$1,000	<i>Check one:</i> _____
Platinum Sponsor	\$750	_____
Gold Sponsor	\$500	_____
Hole Sponsor	\$100	_____

Payment information:

Check Number: _____

Check Date: _____ / _____ / _____

Credit Card Number: _____

Expiration Month: _____ Year _____

Security Code _____

Please return completed form to:

**Gil Watkins
Norwalk Rotary Club
PO Box 531
Norwalk, CT 06852-0531
Email-gwatkins@citrincooperman.com
Tele 203-847-1294**

DRAFT

THIRD TAXING DISTRICT
of the City of Norwalk
Commission Meeting
April 15, 2019

ATTENDANCE: Commissioners: Johnnie Mae Weldon, Chair; Debora Goldstein;
Pamela Parkington; Ed Holowinko, Treasurer

STAFF: Kevin Barber, General Manager
Ron Scofield, Asst. General Manager/District Clerk

OTHERS: Peter Johnson, CMEEC Ratepayer Representative

CALL TO ORDER

Commissioner Weldon called the meeting to order at 7:00 p.m. A quorum was present.

PUBLIC COMMENT

No one from the public was in attendance to comment.

Commissioner Weldon took a moment to welcome Ed Holowinko to the Commission. Mr. Holowinko was recently appointed as Treasurer.

MINUTES OF MEETING

March 29, 2019 Special Meeting

**** COMMISSIONER PARKINGTON MOVED TO APPROVE THE MINUTES OF
MARCH 29, 2019 SPECIAL COMMISSION MEETING.
** COMMISSIONER WELDON SECONDED.
** THE MOTION PASSED UNANIMOUSLY.**

April 1, 2019 Regular Meeting

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE MINUTES OF
APRIL 1, 2019 REGULAR MEETING.
** COMMISSIONER PARKINGTON SECONDED.
** THE MOTION PASSED UNANIMOUSLY.**

Third Taxing District
of the City of Norwalk
April 15, 2019

STRATEGIC PLANNING SESSION

Mr. Barber reviewed the memo he had provided to the Commission in their packet with his thoughts as how to move forward at this point with Strategic Planning. Included was a chart created by Commission Goldstein from the last meeting which arranged the issues for discussion into groupings. Mr. Barber thought the Commission could start with all the issues that had a timing of 1 year and list a detailed description/definition, assign it to whomever will be working on it and give it a priority value between 1-5.

Out of the three categories (Service-Related, Infrastructure and Governance), the Commission was able to complete the initial work on the issues under Governance and Infrastructure. Four of the issues under Governance were handed off to staff to work on and to bring back any recommendations or draft policies to the Commission. The remaining items under the Service-Related category with a timing of 1 year will be discussed in detail at the June 17, 2019 Commission meeting. Issues falling under the timing of 2-3 or 4-5+ years will also be discussed at the June 17, 2019 meeting, time permitting.

**** COMMISSIONER GOLDSTEIN MOVED TO SUSPEND THE RULES TO AD AN AGENDA ITEM.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

**** COMMISSIONER GOLDSTEIN MOVED THAT THE AGENDA ITEM BE ADDED AS THE FIRST EXECUTIVE SESSION ITEM, TO DISCUSS ATTORNEY-CLIENT PRIVILEGED COMMUNICATION, CGS 1-210(b)(10).**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

EXECUTIVE SESSION

- Attorney-Client Privileged Communication – CGS: 1-210(b)(10)

**** COMMISSIONER GOLDSTEIN MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS ATTORNEY-CLIENT PRIVILEGED COMMUNICATION.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, and Messrs. Johnson, Barber and Scofield entered into Executive Session at 8:04 p.m.

DRAFT

The Commissioners, Treasurer, and Messrs. Johnson, Barber and Scofield returned to public session at 8:44 p.m.

EXECUTIVE SESSION

- Real Estate – 215 East Avenue – CGS: 1-200(6)(D)

**** COMMISSIONER GOLDSTEIN MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS REAL ESTATE – 215 EAST AVENUE.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, and Messrs. Barber and Scofield entered into Executive Session at 8:45 p.m.

The Commissioners, Treasurer, and Messrs. Barber and Scofield returned to public session at 9:10 p.m.

ADJOURNMENT

**** COMMISSIONER PARKINGTON MOVED TO ADJOURN.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 9:10 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

Third Taxing District
of the City of Norwalk
April 15, 2019

Third Taxing District - Electric

Financial Highlights

Jul-Mar-2019 vs. Jul-Mar 2018

	Jul-Mar-19	Jul-Mar-19	\$ Change	% Change
Total Income	\$7,661,298.53	\$7,758,774.99	(\$97,476.46)	-1.26%
Total Expense	\$7,251,290.40	\$7,417,980.87	(\$166,690.47)	-2.25%
Net Ordinary Income	\$410,008.13	\$340,794.12	\$69,214.01	20%
Other Income	\$951,581.00	\$948,728.11	\$2,852.89	0%
Other Expense	\$0.00	\$20,000.00	(\$20,000.00)	-100%
Net Income before Rate Stabilization	\$1,361,589.13	\$1,269,522.23	\$92,066.90	7%
Rate Stabilization	(\$349,689.92)	\$1,089.19	(\$350,779.11)	-32206%
Net Income	\$1,011,899.21	\$1,270,611.42	(\$258,712.21)	-20%

Cash Balances

	Mar-19
Accounts	
Operating Accounts	2,640,917
Savings	1,291,611
Capital Improvements Fund	2,076,615
Total Cash	<u>6,009,143</u>

TTD Outstanding Principal Balance with CMEEC

Balance as of July 1, 2018	3,161,286
Current Balance	3,500,040 *

Capital Additions

Current Fiscal Year Capital Additions to date	1,008,222
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* - Note: Increase in outstanding principal obligation is due to re-allocation of Wallingford Electric's ownership in Microgen project.

Third Taxing District - Electric
Profit Loss Budget vs. Actual
July 2018 through March 2019

	Current Month				Year To Date			
	Mar 19	Budget	\$ Over Budget	% of Budget	Jul '18 - Mar 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense								
Income								
443-00 · Cervallis Data Center Revenues	24,509	18,845	5,664	30.06%	275,347	204,016	71,331	34.96%
440-00 · Residential Sales	333,649	301,430	32,219	10.69%	3,102,565	2,936,640	165,925	5.65%
442-01 · Large Commercial Sales	75,596	78,386	-2,790	-3.56%	763,151	809,751	-46,600	-5.75%
442-02 · Small Commercial Sales	194,768	192,921	1,847	0.96%	2,042,820	1,974,601	68,219	3.45%
445-01 · Water Pollutn Contrl Pnt Sales	80,448	84,504	-4,056	-4.8%	801,883	752,276	49,607	6.59%
445-02 · Flat Rate	8,381	8,366	15	0.18%	70,117	69,955	161	0.23%
451-00 · Miscellaneous Service Revenue	680	4,167	-3,487	-83.68%	9,712	37,500	-27,788	-74.1%
557-00 · Purchased Power Adjustment	56,957	57,201	-243	-0.43%	595,704	574,861	20,843	3.63%
Total Income	774,988	745,819	29,169	3.91%	7,661,299	7,359,602	301,697	4.1%
Cost of Goods Sold								
555-00 · Electrical Power Purchased	421,286	406,400	-14,886	-3.66%	4,102,604	3,752,240	-350,364	-9.34%
Total COGS	421,286	406,400	-14,886	-0.04	4,102,604	3,752,240	-350,364	-9.34%
Gross Profit	353,703	339,419	14,283	4.21%	3,558,694	3,607,362	-48,667	-1.35%
Expense								
904-00 · Substation	11,520	14,583	3,063	21.01%	131,520	131,250	-270	-0.21%
403-00 · Depreciation Expense	70,675	68,750	-1,925	-2.8%	636,073	618,750	-17,323	-2.8%
408-00 · Taxes	736	850	114	13.44%	217,325	253,260	35,935	14.19%
540-00 · Other Power Generation Expense	1,608	11,500	9,892	86.02%	79,405	103,500	24,095	23.28%
580-00 · Distribution Expenses	6,913	15,500	8,587	55.4%	134,398	139,500	5,102	3.66%
590-00 · Maintenance Expenses	41,761	50,417	8,656	17.17%	391,785	453,750	61,965	13.66%
900-00 · Customer Accounts & Service	26,811	28,667	1,855	6.47%	257,545	258,000	455	0.18%
920-00 · Administrative Expenses	188,562	183,948	-4,614	-2.51%	1,300,635	1,655,535	354,900	21.44%
Total Expense	348,585	374,215	25,630	0.07	3,148,686	3,613,545	464,859	12.86%
Net Ordinary Income	5,117	-34,796	39,913	114.71%	410,008	-6,183	416,191	6,730.86%
Other Income/Expense								
Other Income								
418-00 · Dividends	6,017	4,167	1,850	44.41%	52,225	37,500	14,725	39.27%
419-00 · Interest Income	615	625	-10	-1.6%	7,717	5,625	2,092	37.19%
420-00 · Gain/(Loss) on Investments	20,019	3,750	16,269	433.84%	32,281	33,750	-1,469	-4.35%
421-00 · Norden Project Income	55,000	39,583	15,417	38.95%	580,376	356,250	224,126	62.91%
423-00 · Gain/(Loss) from Sale of FA	0	583	-583	-100.0%	5,117	5,250	-133	-2.53%
424-00 · Energy Conservation Fund Income	10,957	11,844	-887	-7.49%	103,580	106,597	-3,017	-2.83%
425-00 · Miscellaneous Income	0	0	0	0.00	170,285	0	170,285	100.0%
Total Other Income	92,608	60,553	32,056	52.94%	951,581	544,973	406,608	74.61%
Other Expense								
426-30 · PERSON TO PERSON	0	0	0	0.0%	0	20,000	20,000	100.0%
426-10 · Distribution to "District Fund"	0	0	0	0.0%	234,750	234,750	0	0.0%
990-00 · Miscellaneous Items	0	0	0	0.0%	0	0	0	0.0%
999-00 · Miscellaneous Unknown	0	0	0	0.0%	0	0	0	0.0%
Total Other Expense	0	0	0	0.00	234,750	254,803	20,053	7.87%
Net Other Income	92,608	60,553	32,056	52.94%	716,831	290,170	426,661	147.04%
Net Income	97,726	25,757	71,969	279.42%	1,126,839	283,987	842,852	296.79%

TTD District Fund
Profit & Loss Budget vs. Actual
July 2018 through March 2019

	Current Month				Year to Date			
	Mar 19	Budget	\$ Over Budget	% of Budget	Jul '18 - Mar 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense								
Income								
980-02 · INTEREST INCOME	25	27	-3	-9.53%	206	244	-38	-15.61%
980-05 · FIRE HOUSE RENT	0	0	0	0.0%	42,769	42,769	0	0.0%
980-10 · FUNDING FROM ELECTRIC	0	0	0	0.0%	234,750	234,750	0	0.0%
Total Income	25	27	-3	-9.53%	277,725	277,763	-38	-0.01%
Expense								
980-12 · FEES- COMMISSIONERS	0	0	0	0.0%	11,350	10,500	-850	-8.1%
980-14 · FEES-CLERKS	0	0	0	0.0%	1,800	1,800	0	0.0%
980-16 · FEES-TREASURER	0	0	0	0.0%	1,800	1,800	0	0.0%
980-17 · Fees - Rate Payer Rep	0	0	0	0.0%	1,800	1,800	0	0.0%
980-19 · PAYROLL EXPENSES	0	0	0	0.0%	1,385	1,300	-85	-6.54%
980-20 · PARKS MAINTENANCE	152	2,667	2,514	94.29%	13,937	24,000	10,063	41.93%
980-30 · EAST NORWALK CEMETERY ASS'N								
980-31 · E. Norwalk Cemetery - Major Cap	0	267	267	100.0%	0	2,400	2,400	100.0%
980-30 · EAST NORWALK CEMETERY ASS'N - Other	0	1,667	1,667	100.0%	14,105	15,000	895	5.97%
Total 980-30 · EAST NORWALK CEMETERY ASS'N	0	1,933	1,933	100.0%	14,105	17,400	3,295	18.94%
980-35 · EAST NORWALK IMP ASSOC LIBRARY								
980-36 · Electric Funding-Library Match	1,653	0	-1,653	-100.0%	3,406	8,625	5,219	60.51%
980-38 · LIBRARY PROPERTY MAINTENANCE	127	667	540	80.98%	4,224	6,000	1,776	29.6%
980-35 · EAST NORWALK IMP ASSOC LIBRARY - Other	0	0	0	0.0%	122,175	122,175	0	0.0%
Total 980-35 · EAST NORWALK IMP ASSOC LIBRARY	1,780	667	-1,113	-166.97%	129,805	136,800	6,995	5.11%
980-40 · CHRISTMAS TREE LIGHTING	0	0	0	0.0%	7,297	6,500	-797	-12.26%
980-45 · FIREHOUSE EXPENSES	0	167	167	100.0%	0	1,500	1,500	100.0%
980-55 · CONCERTS IN THE PARK	1,150	2,640	1,490	56.44%	30,728	33,000	2,272	6.88%
980-70 · ANNUAL MEETING EXPENSES	2,739	3,500	761	21.73%	3,666	3,500	-166	-4.74%
980-85 · Bank Charges	0	0	0	0.0%	0	0	0	0.0%
980-90 · CONTINGENCY EXPENSES	0	2,500	2,500	100.0%	4,605	22,500	17,895	79.53%
980-95 · Other District Services	500	667	167	25.0%	8,900	6,000	-2,900	-48.33%
Total Expense	6,322	14,740	8,419	57.11%	231,179	268,400	37,221	13.87%
Net Ordinary Income	-6,297	-14,713	8,416	57.2%	46,546	9,415	37,131	394.37%
Net Income	-6,297	-14,713	8,416	57.2%	46,546	9,415	37,131	394.37%

THIRD TAXING DISTRICT
KEY PERFORMANCE INDICATORS (KPI'S)

			March		Industry Average (Bandwidth)
			2019	2018	
1)	<i>OPERATING RATIO</i>	TOTAL OPERATING EXPENSE / TOTAL OPERATING REVENUE	94.65%	95.61%	95-105%
2)	<i>POWER SUPPLY EXPENSE RATIO</i>	TOTAL POWER SUPPLY EXPENSES / TOTAL EXPENSES	57%	59%	65% - 70%
3)	<i>OUTSTANDING RECEIVABLES</i>	TOTAL DOLLAR AMOUNT OF CUSTOMER RECEIVABLES OVER 90 DAYS	\$36,397	\$32,525	
4)	<i>ACTUAL RATE OF RETURN ON RATE BASE</i>	AUTHORIZED BY STATE STATUTE	6.8%	10.9%	Varies by state
5)	<i>ELECTRIC CUSTOMERS PER EMPLOYEE</i>	TOTAL ELECTRIC CUSTOMERS / TOTAL FULL TIME EMPLOYEES	351	351	200 - 500
6)	<i>RATE STABILIZATION</i>	RATE STABILIZATION FUND BALANCE	\$ 3,719,433	\$ 3,940,153	Commission Approved Target of \$2.75MM - \$3.0MM
7)	<i>ENERGY LOSS %</i>	TOTAL ENERGY LOSSES/TOTAL SOURCES OF ENERGY	5.72%	5.58%	2.5% - 6%
8)	<i>SYSTEM LOAD FACTOR</i>	TOTAL KWH SALES + TOTAL kwh ENERGY LOSSES/8760/ HIGHEST HOURLY PEAK DEMAND	56.8%	56.5%	50% - 65%

East Norwalk - PCA Calculation

Power Cost Adjustment Calculation

6 Month Rolling Average (starting January 2014)

Yellow indicates Forecast

Orange indicates data is from the preliminary CMEEC monthly bill, numbers will change when the "true up" numbers are available from CMEEC

Green indicates the final numbers have been entered for the month.

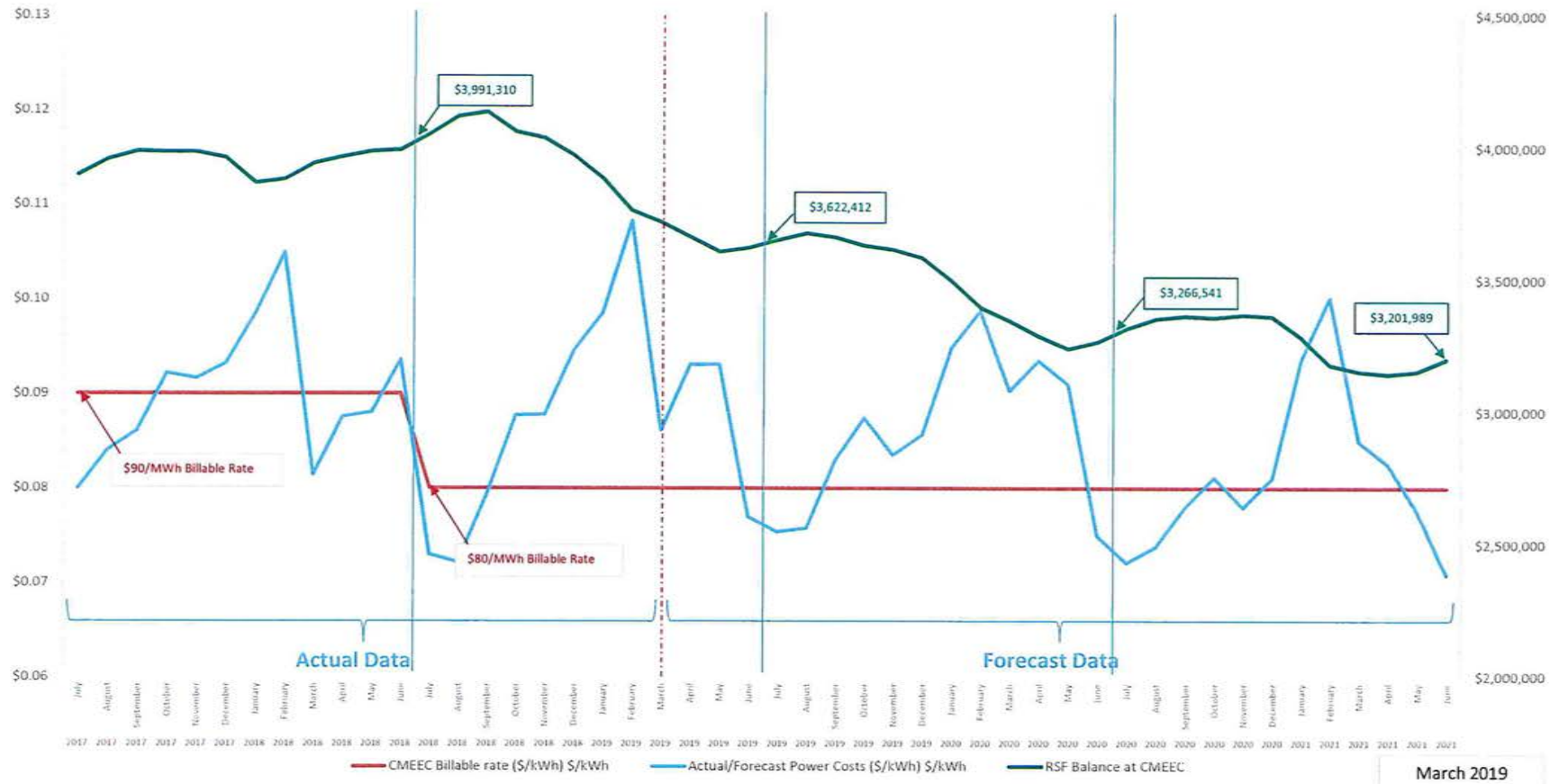
Colors will change when actual numbers are received.

		2018 July	2018 August	2018 September	2018 October	2018 November	2018 December	2019 January	2019 February	2019 March	2019 April	2019 May	2019 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000
h Grand Total (Actual) Purchased Power Costs	\$	\$ 475,283	\$ 481,252	\$ 402,827	\$ 393,201	\$ 414,447	\$ 507,554	\$ 579,929	\$ 547,468	\$ 452,796	\$ 394,881	\$ 402,727	\$ 384,793
i (Sum of current and previous 5 months)	\$	2,628,785	2,608,433	2,590,790	2,597,989	2,630,123	2,674,565	2,779,211	2,845,427	2,895,395	2,897,074	2,885,354	2,762,593
j kWh's Purchased	kWh												
l Total Purchased Power kWh Units	kWh	6,515,187	6,671,090	5,077,866	4,482,969	4,721,969	5,366,968	5,885,811	5,056,505	5,257,896	4,241,922	4,325,281	4,999,904
m (Sum of current and previous 5 months)	kWh	30,166,351	32,055,239	31,966,352	32,039,885	32,417,385	32,836,049	32,206,673	30,592,088	30,772,118	30,531,071	30,134,383	29,767,320
Actual/Forecast Power Costs (\$/kWh)	\$/kWh	0.07295	0.07214	0.07933	0.08771	0.08777	0.09457	0.09853	0.10827	0.08612	0.09309	0.09311	0.07696
n Power (Actual) Supply Costs @ Retail	\$	0.0920	0.0859	0.0856	0.0856	0.0857	0.0860	0.0911	0.0982	0.0994	0.1002	0.1011	0.0980
o Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
p Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
q Calculated PCA	\$	(0.0038)	(0.0099)	(0.0102)	(0.0102)	(0.0101)	(0.0098)	(0.0047)	0.0024	0.0036	0.0044	0.0053	0.0022
r Actual PCA Implemented	\$	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130
s Total System Retail Sales (kWh's)	kWh	5,592,906	6,079,846	6,365,722	3,916,402	4,499,030	4,547,024	5,393,336	5,491,090	4,412,442	4,004,375	4,083,065	4,719,910
t Base PCA Revenue	\$	535,800	582,449	609,836	375,191	431,007	435,605	516,682	526,046	422,712	383,619	391,158	452,167
u Fuel Factor Revenue	\$	72,708	79,038	82,754	50,913	58,487	59,111	70,113	71,384	57,362	52,057	53,080	61,359
v Total Revenues through PCA	\$	608,508	661,487	692,591	426,105	489,494	494,716	586,795	597,431	480,074	435,676	444,237	513,526
w Difference of Collection vs Expense	\$	\$ 5,737,302	\$ 5,917,536	\$ 6,207,300	\$ 6,240,203	\$ 6,315,250	\$ 6,302,412	\$ 6,309,278	\$ 6,359,241	\$ 6,386,519	\$ 6,427,315	\$ 6,468,825	\$ 6,597,559
Over collect / (Under Collect) in each month		\$133,225.28	\$180,234.81	\$289,763.44	\$32,903.12	\$75,047.24	(\$12,837.96)	\$6,866.01	\$49,962.78	\$27,278.03	\$40,795.44	\$41,510.55	\$128,733.57
RSF Balance at CMEEC		4,050,820.00	4,117,685.00	4,134,657.00	4,059,858.00	4,035,998.00	3,971,519.00	3,884,556.00	3,762,559.00	3,719,443.00	3,663,916.24	3,607,211.80	3,622,411.51
Diff between Billed Rate and Actual Cost	\$	0.00705	0.00786	0.00067	(0.00771)	(0.00777)	(0.01457)	(0.01853)	(0.02827)	(0.00612)	(0.01309)	(0.01311)	0.00304
Affect on RSF - by Month	\$	45,932.07	52,434.77	3,402.17	(34,563.69)	(36,689.70)	(78,196.72)	(109,064.08)	(142,947.40)	(32,178.32)	(55,526.76)	(56,704.43)	15,199.71

East Norwalk - PCA Calculation
Power Cost Adjustment Calculation
6 Month Rolling Average (starting January 2014)

		2019 July	2019 August	2019 September	2019 October	2019 November	2019 December	2020 January	2020 February	2020 March	2020 April	2020 May	2020 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000
h Grand Total (Actual) Purchased Power Costs	\$	\$ 480,191	\$ 462,165	\$ 402,061	\$ 367,698	\$ 381,112	\$ 464,815	\$ 555,483	\$ 525,605	\$ 447,275	\$ 397,133	\$ 394,124	\$ 375,269
i (Sum of current and previous 5 months)	\$	2,662,855	2,577,552	2,526,818	2,499,635	2,478,020	2,558,042	2,633,335	2,696,775	2,741,988	2,771,423	2,784,435	2,694,888
j kWh's Purchased	kWh												
l Total Purchased Power kWh Units	kWh	6,369,428	6,097,163	4,844,112	4,206,104	4,563,669	5,425,650	5,855,207	5,319,889	4,951,015	4,246,498	4,329,602	5,004,919
m (Sum of current and previous 5 months)	kWh	30,250,937	31,291,595	30,877,811	30,841,992	31,080,380	31,506,126	30,991,905	30,214,630	30,321,533	30,361,928	30,127,861	29,707,130
Actual/Forecast Power Costs (\$/kWh)	\$/kWh	0.07539	0.0758	0.083	0.08742	0.08351	0.08567	0.09487	0.0988	0.09034	0.09352	0.09103	0.07498
n Power (Actual) Supply Costs @ Retail	\$	0.0930	0.0870	0.0864	0.0856	0.0842	0.0857	0.0897	0.0943	0.0955	0.0964	0.0976	0.0958
o Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
p Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
q Calculated PCA	\$	(0.0028)	(0.0088)	(0.0094)	(0.0102)	(0.0116)	(0.0101)	(0.0061)	(0.0015)	(0.0003)	0.0006	0.0018	(0.0000)
r Actual PCA Implemented	\$	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130
s Total System Retail Sales (kWh's)	kWh	6,012,740	5,755,722	4,572,842	3,970,562	4,308,104	5,121,814	5,527,315	5,021,975	4,673,758	4,008,694	4,087,144	4,724,643
t Base PCA Revenue	\$	576,020	551,398	438,078	380,380	412,716	490,670	529,517	481,105	447,746	384,033	391,548	452,621
u Fuel Factor Revenue	\$	78,166	74,824	59,447	51,617	56,005	66,584	71,855	65,286	60,759	52,113	53,133	61,420
v Total Revenues through PCA	\$	654,186	626,223	497,525	431,997	468,722	557,253	601,372	546,391	508,505	436,146	444,681	514,041
w Difference of Collection vs Expense	\$	\$ 6,771,554	\$ 6,935,611	\$ 7,031,075	\$ 7,095,375	\$ 7,182,984	\$ 7,275,422	\$ 7,321,311	\$ 7,342,097	\$ 7,403,327	\$ 7,442,340	\$ 7,492,898	\$ 7,631,670
Over collect / (Under Collect) in each month		\$173,994.95	\$164,057.56	\$95,463.89	\$64,299.57	\$87,609.72	\$92,437.93	\$45,888.41	\$20,785.88	\$61,230.15	\$39,013.38	\$50,557.58	\$138,772.35
RSF Balance at CMEEC		3,651,774.57	3,677,382.66	3,662,850.32	3,631,641.03	3,615,622.56	3,584,859.12	3,497,792.20	3,397,778.29	3,346,584.79	3,289,172.13	3,241,416.62	3,266,541.31
Diff between Billed Rate and Actual Cost	\$	0.00461	0.00420	(0.00300)	(0.00742)	(0.00351)	(0.00567)	(0.01487)	(0.01880)	(0.01034)	(0.01352)	(0.01103)	0.00502
Affect on RSF - by Month	\$	29,363.06	25,608.09	(14,532.34)	(31,209.29)	(16,018.48)	(30,763.44)	(87,066.92)	(100,013.91)	(51,193.50)	(57,412.66)	(47,755.51)	25,124.69

Rate Stabilization Balance Forecast





Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271

Fax: (203) 866-9856

Memorandum

To: TTD Commissioners

From: Kevin Barber – General Manager

Date: May 1, 2019

Subject: District Stipend Pay Schedule and Policy

In previous years, the Commissioners, Treasurer, District Clerk and Rate Payer Representative would receive the full yearly stipend at the beginning of the fiscal year in July. While this has been the practice for the District, an issue can arise if an official resigns from their position before completing their term.

I am proposing a change in the process of paying stipends and have developed a draft policy for your consideration. The draft policy is attached for your review and comment.

I would be happy to answer any questions at the Monday Commission meeting.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Debora Goldstein	203-252-7214	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Pamela Parkington	203-858-4261	Commissioner	Ed Holowinko	203-858-5750	Treasurer

DRAFT

Third Taxing District Electric Dept. District Stipend Pay Schedule Policy

This policy is for all District officials (Commissioners, Treasurer, District Clerk and Ratepayer Rep) for payment of yearly stipends.

Stipends will be paid on a quarterly basis at the end of each quarter as follows:

- | | |
|--------------------------------|-----------------------|
| • Last pay period in September | 25% of yearly stipend |
| • Last pay period in December | 25% of yearly stipend |
| • Last pay period in March | 25% of yearly stipend |
| • Last pay period in June | 25% of yearly stipend |

During election years when an official's term expires, the second quarterly payment would be for one month (1/12th of the yearly stipend) payable in November following the election. If the official is re-elected, they will receive the normal quarterly payment in December.

If the official is not re-elected or chooses not to seek office again, they will receive a one-month payment in November. The newly elected official would receive a two-month payment in December.

If an elected official resigns from their position before their term is completed they will receive a pro-rated quarterly payment at the end of the quarter.

Filling a Vacancy – The filling of a vacancy will be paid on a pro-rated basis at the end of the quarter.



Third Taxing District


2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271

Fax: (203) 866-9856

Memorandum

To: TTD Commissioners

From: Kevin Barber – General Manager 

Date: May 1, 2019

Subject: APPA Annual Conference – June 7-12, 2019

The American Public Power Association (APPA) is holding its annual conference and exposition on June 7 - 12, 2019 in Austin, TX. This annual conference provides members the opportunity to enhance their knowledge in the electric industry in areas including utility management, reliability and preparedness, regulatory issues facing the industry and the future of the industry.

In addition to attending the conference breakout sessions and the exhibition, I am also interested in the following preconference seminars:

- Achieving Community Objectives with Strategic Rate Design
- The Soup to Nuts of Future-proofing Your Utility
- Integrating New Technologies into Your Distribution System

As part of my employment contract, I am required to receive approval from the Commission by action at a regular or special meeting, with reasonable advance notice. Please accept this memo as my request to attend this conference.

I would be happy to answer any questions that you have regarding this request at the meeting on Monday evening.

District Commissioners

Johnnie Mae Weldon 203-216-2652
Debora Goldstein 203-252-7214
Pamela Parkington 203-858-4261

Chairperson
Commissioner
Commissioner

Kevin Barber
Ron Scofield
Ed Holowinko

203-866-9271
203-866-9271
203-858-5750

General Manager
Assistant General Manager
Treasurer



Third Taxing District

2 Second Street
East Norwalk, CT 06855

Tel: (203) 866-9271

Fax: (203) 866-9856

Memorandum

To: TTD Commissioners
From: Kevin Barber – General Manager
Date: May 1, 2019
Subject: Undergrounding Report

At the request of the Commission, I have written the attached report titled, "To Underground or Not Underground," for your review. The report was written to provide the pros and cons of undergrounding, to identify the related costs, where ever possible and show how undergrounding may affect the Third Taxing District in the near term and the future.

This is the same report that was provided to the Commission on Friday, April 26, 2019, with a few minor grammatical corrections.

Mike Adams and I will be available to answer any questions regarding the report and undergrounding at Monday's meeting.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Debora Goldstein	203-252-7214	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Pamela Parkington	203-858-4261	Commissioner	Ed Holowinko	203-858-5750	Treasurer

Third Taxing District Electric Department

To Underground or Not Underground

That is the question. As requested by the Commission, I have reviewed the pros and cons for undergrounding a portion of the electric distribution system on East Avenue as part of the State of CT project 102-297 and submit this report for your review and consideration.

The project, as described by the City of Norwalk, is to reconstruct East Ave between Van Zant Street and Myrtle Street. The city desires for the utilities to be placed underground as part of the project. The section of East Avenue between Winfield St and Fort Point St is state project #SPN-301-0187, East Avenue Bridge, which is part of the over-arching Walk Bridge project

In discussions with the city, the funding of project 102-297 is as follows:

Project Design: 100% funded by City of Norwalk

Right of Ways: 10% funded by the City of Norwalk, 90% funded by the State of CT

Construction: 100% funded by the State of CT

For this project, the State of CT is funding 100% of the construction costs. However, this does not include the costs of any “betterments” that are included in the project. A betterment is considered any cost more than the cost required to provide a facility of equal capacity. The undergrounding of the utilities on East Ave would be considered a betterment and the costs would not be funded by the state and would then be the responsibility of the city. It is unknown if the costs to the city will be the full cost of the undergrounding or the net cost. The net costs would be the difference between the cost to relocate the utilities above ground and the cost to install the underground utilities.

During my review of various studies on the undergrounding of utilities, I was able to identify a list of pros and cons relating to the undergrounding of utilities. These pros and cons, listed below in no particular order, are the consensus of these reports and may not directly relate to the East Ave project. Please be advised that with each pro or con, I could easily provide, and in some cases have provided, a counter argument to offset the pro or con.

Increased Public Safety: Pro. Numerous studies pointed out that when utilities are placed underground, there is an increase in public safety due to:

- Removal of utility poles = less vehicular accidents
- Removal of overhead wires removes the issues with downed wires during storms or outage incidents

However, the use of decorative street light poles will not eliminate the issue of vehicle accidents. A vehicle striking a decorative street light will most likely not cause an outage, but may affect public safety as the area may not have adequate lighting.

Aesthetics: Pro. All studies reviewed indicate the removal of overhead lines and utility poles will provide for a cleaner look to the streetscape. This is more of an opinion than fact. Aesthetics is in the eye of the beholder.

Economic Value: **Debatable.** Various studies point to an increase in property values and economic benefits of an underground system. When looking at the undergrounding of a portion of East Ave it is hard to determine or calculate if any increase in property value or economic value will result from this project. If the project was to underground the entire stretch of East Ave from I95 to the railroad bridge, a discussion on the benefits could be warranted.

Reliability: **Pro.** Studies show an increase in reliability when utilities are installed underground as distribution systems are not affected by storms (wind and tree damage) and vehicular accidents. Conversely, the expected life span of an underground system is shorter than overhead and at the end of the lifespan, outages may become more prevalent and will take longer to locate and repair.

The configuration of the distribution circuit should also be taken into consideration when analyzing reliability. Most underground systems are connected to an above ground system and both types will have an effect on the other. A downed tree in a storm may cause an outage on the overhead system that is connected to the underground system and may cause both systems to experience an outage.

Most utilities will consider the undergrounding portions of their distribution system that are susceptible to outages, take longer to repair and critical to the distribution system. In these scenarios, placing the utilities underground will have a positive effect on the reliability of the system.

Regarding the East Ave project, only a very small portion of a circuit will be placed underground. Customers on the underground portion are still susceptible to the outages that occur on the overhead system. TTD's reliability statistics are excellent. Undergrounding a section of the system will not increase the reliability of the overall system. Conversely, over time, any outages on the underground system may have an adverse effect on TTD's reliability statistics.

Pole rental revenue: **Con.** Utilities will suffer a loss in revenue from pole attachment rentals when a distribution system is placed underground as separate underground infrastructure is installed for electric utilities and communication utilities. For TTD, there will be minimal impact as the number of poles on East Ave impacted by undergrounding is limited. If the full scope of the East Ave Project is placed underground, the estimated reduction in yearly revenue will be less than \$300.

No Interference with Communications Circuits: **Pro.** Undergrounding the utilities will remove any interference that occurs between the electric distribution system and the communication circuits. The communication circuits will be located in separate duct banks.

Capital Costs of Installing Underground: **Con.** Studies show that the cost to install an underground electric distribution system is 5 to 10 times more expensive than installing an overhead distribution system. There are various reasons for the incremental cost increase with the underground system. The costs to excavate, install vaults and conduits and restore the streets to its original condition are very expensive. This is not required for an overhead system. In addition, the conductors (wire) and equipment (transformers and switches) used in underground systems can be more expensive than overhead.

In 2012, the Edison Electric Institute (EEI), published a study "Out of Sight, Out of Mind 2012, An Updated Study on the Undergrounding of Overhead Power Lines." In this report, EEI identified the cost per mile for new construction – overhead, new construction - underground and converting overhead to

underground. The costs are from 2012 report and illustrate the incremental costs with undergrounding of a distribution system.

Cost per Mile of Installation Costs: Suburban Environment

	New Construction - Overhead	New Construction - Underground	Converting Overhead to Underground
Minimum	\$110,800	\$528,000	\$313,600
Maximum	\$908,000	\$2,300,000	\$2,420,000

The EEI report is available online:

<http://www.eei.org/issuesandpolicy/electricreliability/undergrounding/Documents/UndergroundReport.pdf>

For the East Ave project, the City of Norwalk has indicated that they will be paying for the installation of the underground distribution system at no cost to TTD. The City would pay for the installation of the distribution system and turn the ownership of the assets over to TTD. For this project, the capital costs will not be an issue to TTD or its ratepayers. A result of the project is TTD receiving a Contribution in Aid of Construction from the city, which would be considered a Pro.

The capital cost of undergrounding is something that TTD needs to understand. In the future, if TTD elects to underground additional portions of the distribution system, unrelated to a city or state project, the cost of the undergrounding would be paid for by TTD and its ratepayers.

At the end of the useful life of the underground distribution system, capital outlays would be required to replace the conductors and equipment. The cost of this expenditure would not be as large as the original installation costs as the vaults and conduits would be reused but may be more expensive than replacing overhead conductors and equipment.

Ongoing Operating Costs of an Underground System: **Pro** and **Con**. None of the studies reviewed provided any specific data to document the ongoing operational costs of an underground distribution system. There are a few ways to look at the operational costs.

One could expect lower operational costs on an underground system for the following reasons:

- Underground system protected from the elements like storms, trees, animal contacts, vehicular or human contacts. This would lower the expenditures for outages and restorations.
- Tree trimming program not required for an underground system. For the East Ave project, this is not relevant as there are few trees at this location.
- New equipment would require less maintenance at the beginning of its life span.

Issues that could cause a change in operating costs:

- Outages:
 - Harder to locate on the underground system
 - Harder to repair
 - May need to utilize an outside vendor to assist or perform the repairs on the underground system.

- Type or configuration of the underground distribution system. As the East Ave project is at the early stages of design, a configuration of the underground system has not been selected. The following two options have been discussed at a high level for possible use on East Ave. These are two of the configuration options available. They are being presented to provide an understanding of the operational costs of an underground system:
 - Standard Underground system: This system utilizes underground conductors with padmount (above ground) transformers and switches. This system allows the utility to operate the transformers and switches above ground, as opposed to underground vaults. The ongoing operational cost for this system, is like that of an overhead system. However, this system requires additional property easements to locate the equipment and may not be feasible in congested areas or areas with little or no real estate available in proximity to the street. This system is also more susceptible to vehicular accidents as the equipment is located above ground near the street. For TTD's limited underground system, this is the configuration that is utilized.
 - Network Underground system. This system is a fully underground system that will allow for the most redundancy by utilizing underground switches and transformers, located in vaults, that are configured to work together. In the event a transformer fails, another networked transformer will take over and cover the load. This will result in limited or no outage on the underground distribution system. The networked system does require additional yearly maintenance costs. Estimates show this is approximately 10% more than overhead. If we look at TTD's total distribution system expenses (operating and maintenance) for the year of approximately \$500,000 (includes overhead and underground), a 10% increase would amount to \$50,000 per year. When comparing the \$50,000 to TTD's total operating expenses of over \$10,000,000, that amounts to an operating increase of approximately .5%. Considering TTD has a very small underground system, a \$50,000 increase would be at the very high end of the yearly increase.
- Different Equipment and Inventory required. The equipment used on an underground system differs from that of an overhead system and TTD will need to maintain an inventory of various underground equipment. The amount of inventory should not be excessive as we currently maintain an inventory of underground equipment for our existing underground system.
- Safety Equipment. Additional safety equipment may be required for the operation and maintenance of an underground system. This equipment includes safety harnesses and retrieval equipment, air monitoring equipment, etc.
- Employee training. Employee safety is TTD's number one priority. Employees will have to be trained for underground systems. Training will include at a minimum confined space training. All required training will be identified and incorporated into TTD's safety training program. The use of a networked underground system would require additional training as opposed to the standard underground system.

Longer Restoration Times: **Con.** With an underground distribution system, the length of time to identify and locate an outage and restore power would inevitably be longer than an overhead system. With overhead distribution systems, the system is visible from the ground and the lineman would drive the line to locate the problem.

With an underground system, the system is buried and can't be seen from the ground. Locating a cable fault or a transformer problem would require the inspection of each underground vault to locate the problem. If the fault is in a conduit between vaults, it is even more difficult to locate. This would lengthen the time to locate the problem. Isolating the issue could be more complex, depending on the configuration of the system, lengthening the time of restoring power to as many customers as possible. Repairing the problem would also take longer as working in underground vaults is more complicated and difficult. Depending on the type of outage, repairs could take from one hour up to and past 8 hours.

The costs to repair an outage can also be more expensive. When a cable fault occurs on an overhead system, the replacement cable can be spliced in place limiting the amount of cable required to fix the problem. When a fault occurs underground, after locating the fault, the cable must be removed from the underground ducts and either repaired or replaced. As the cable gets older, it makes more sense to replace the section of cable rather than repairing. This may increase the amount of inventory used for the repair of the underground system.

Because of TTD's current staffing levels and the items identified earlier (safety equipment, employee training, etc.) the use of outside contractors may be required for repairs to the underground system. This will likely extend the length of any outage. The use of outside contractors by TTD is not uncommon, even for the overhead system. In certain portions of our distribution system, we will call in contractors with specialized equipment to assist or perform the repairs to the distribution system. An example is the overhead distribution lines that run behind homes in a right of way. Contractors have specialized track equipment to reach areas where the line trucks can't access.

After considering the pros and cons related to undergrounding, we must also look at the long-term operation of the utility.

Future Expansion of the underground system:

Will the Utility/Commission take a position that undergrounding of the distribution system is desired or recommended? Will undergrounding be considered in certain circumstances? Will this cause a change in TTD's business model?

The following are additional considerations that should be considered.

TTD Staffing:

Currently TTD is staffed with 3 qualified lineman, 1 General Line Foreman, 1 Chief Lineman and 1 Lineman. This staffing level currently operates and maintains TTD's distribution system, which consists of more than 15 miles of overhead and less than a 1 mile of underground distribution infrastructure. With the proposed addition of .3 miles of underground distribution system, I don't believe that this will initially require a change in staffing levels. However, a determination will have to be made when a change may become necessary, if at all. Over time, TTD should expect additional requests from the City or developers to underground additional portions of the distribution system. There may be a point when the balance of overhead and underground will change enough to change TTD's business model. None of the studies available have provided any information that would answer this question. I believe the answer will become clear after real-life data from our distribution system is available. If a change in staffing is required, this could be the addition of an additional lineman or apprentice lineman.

Future Capital Expenditures:

The proposed undergrounding of the East Ave distribution system is at the request of the City of Norwalk. With the City of Norwalk paying for the installation of the underground system, the cost benefit analysis of undergrounding this section is advantageous to TTD. TTD would have no capital outlay required for this project and would only have to cover the expense of operating the system going forward.

For future undergrounding projects, there are a few possible scenarios:

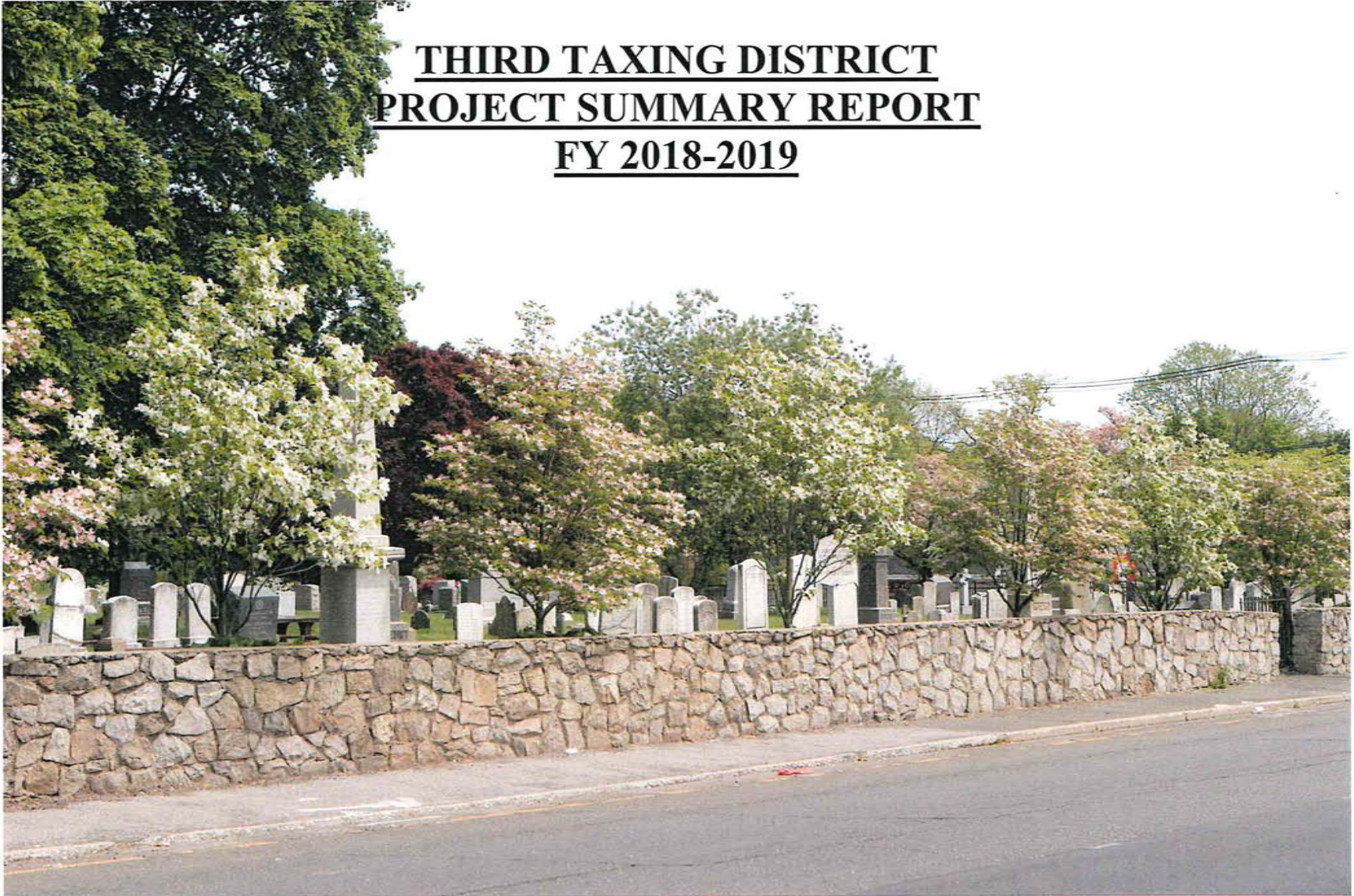
- 1) Undergrounding done in conjunction with a state or federal project. The most cost-effective time to underground utilities is during a road reconstruction project. As with the East Ave project, the undergrounding of utilities would typically be considered a betterment and would not be paid for with state or federal funds and must be paid for by the city or the utility.
- 2) Developers request. A developer may request to have the utilities placed underground for the project they are working on. Typically, this would be the undergrounding of the service for this property. For condominiums, this could include the undergrounding of all utilities in the complex. In some cases, the developer may request to have the utilities adjacent to their project placed underground. The developer would be responsible for all costs of undergrounding in these scenarios.
- 3) TTD Undergrounding project. TTD could elect to fund the undergrounding of the distribution system through its capital budget. This would allow TTD, if desired, to selectively underground portions of the distribution system. This would normally be done for the benefit of system reliability by reducing outages caused by storms, animal contacts, vehicular accidents, etc. Taking into account TTD's excellent reliability ratings, undergrounding for the sake of reliability, is not cost effective.

My recommendation to the Commission for future undergrounding projects will be only consider undergrounding projects that are being installed at no cost to TTD. These projects should be reviewed and approved on an individual basis following a study of the impacts of the request on the distribution system. Limitations can be implemented to only allow undergrounding to certain areas of the distribution system, for example, roads that designated "major arterial" by the City of Norwalk.

During my review of the various studies, I have not found any financial benefit for TTD to fund the undergrounding of the distribution system internally, at the ratepayer's expense. There is no reliability benefit to undergrounding. In the end, the reason for undergrounding would be for aesthetic purposes.

In summary, the request from the City of Norwalk to underground the electric utilities on East Avenue as part of state project no. 102-297 will underground approximately 1,600 feet (less than 1/3 mile) of the distribution system. I do not believe this will have an impact on TTD's operating model. With the City of Norwalk paying for the undergrounding for this portion of East Ave, there is not capital outlay for the District and no financial impact to the ratepayers.

THIRD TAXING DISTRICT
PROJECT SUMMARY REPORT
FY 2018-2019



THIRD TAXING DISTRICT – PROJECT SUMMARY

UPDATED: April 30, 2019

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS/MONTHLY UPDATE</u>
1)	A-Base Meter Replacement Program	<ul style="list-style-type: none"> In progress – with Meter Department 	On-Going – until all A-Base meters have been replaced	<ul style="list-style-type: none"> Working with staff to understand the A-Base meter issue and develop a plan. April 2019 – None.
2)	Customer Service/ Management Training Program	<ul style="list-style-type: none"> Training throughout the year based on training opportunities and employee schedules. 	On-Going	<ul style="list-style-type: none"> K Barber attended APPA Annual Conference in June K Barber attended APPA Leadership Workshop
3)	Succession Planning Process	<ul style="list-style-type: none"> Complete with periodic review 	On-Going	
4)	Radio-Read Meter Upgrade	<ul style="list-style-type: none"> Approximately 96% of the system has been completed 	Multi-year program beginning in 2015. Will continue until completed	<ul style="list-style-type: none"> April 2019 – Installed 25 radio-read meters for a total of 3,664 to date or 96% of the system.
5)	Upgrade Fleet Vehicles	<ul style="list-style-type: none"> Purchasing/Leasing Vehicles in accordance with Five-Year fleet replacement schedule. 	On-Going	<ul style="list-style-type: none"> Line truck to be refurbished in FY 2018-19 Digger Derrick truck on order, awaiting delivery
6)	I/T System Modifications	<ul style="list-style-type: none"> On-going to create greater efficiencies wherever possible 	Periodic updates as necessary	<ul style="list-style-type: none"> Upgrades to Microsoft Office and email systems completed in June

#	PROJECT	STATUS	TIMELINE	COMMENTS/MONTHLY UPDATE
7)	Conduct Cost of Service/Rate Study with Periodic Updates	<ul style="list-style-type: none"> Initial rate study conducted in 2013 with results implemented in October 2014. Update/"Tune-Up" completed in July 2016 Cost of Service Study on security lighting began in June 2016 Cost of Service Study to be performed in 2019 	2018 Cost of Service Study - Late fall 2018 – early 2019	<ul style="list-style-type: none"> Initial discussion held with UFS regarding cost of service study. Reviewing proposal provided by UFS UFS Proposal accepted and executed Staff compiling data requested by UFS Data provided to UFS
8)	Strategic Planning Process	<ul style="list-style-type: none"> Commission started a Strategic Planning process in Jan 2019 	<ul style="list-style-type: none"> Begin in 1st Qtr 2016. Work continues into 2017 as necessary Strategic Planning process to begin again in late 2018 – early 2019 	<ul style="list-style-type: none"> Commission has scheduled the August 20th Commission Meeting for Strategic Planning discussion. Meeting cancelled Jan 28th meeting scheduled. Dedicated to Strategic Planning 2nd Meeting held on Feb 25th. List of issues created and categorized. 3rd meeting held on Apr. 15th. Reviewed year 1 lists for Governance and Infrastructure categories. 4th meeting scheduled for Jun 17th
9)	Public Relations/ Marketing Program	<ul style="list-style-type: none"> Greyskye is TTD's public relations / marketing firm 	On-going	<ul style="list-style-type: none"> Monthly meetings have been held with Greyskye to discuss the following: Upcomings Events Newsletter Website updates Press Releases

#	PROJECT	STATUS	TIMELINE	COMMENTS/MONTHLY UPDATE
10)	Substation Upgrades and Improvements	<ul style="list-style-type: none"> Projects on-going in all substations to upgrade / maintain compliance with CONVEX / FERC requirements 	T3 Transformer Replacement – Nov 2017 – Spring 2019	<ul style="list-style-type: none"> T3 transformer replacement in progress, transformer has been ordered. Old T3 transformer has been taken out of service. Old transformer successfully removed on April 16th. Transformer manufacturer notified TTD on 4/30/18 of a manufacturing delay. TTD is working to develop an understanding of the delay and the effect on the project schedule. Witness testing scheduled for June 14-15, 2018. Witness test rescheduled for July 16-17, 2018 due to a factory delay. T3 Transformer passed the witness test. T3 Transformer delivered on July 31st T3 Transformer – Multi-Ratio CT failed test TTD in communication with ABB on resolution to the CT problem Issue resolved with ABB, repairs to CT will be scheduled Repairs made to CT on Jan 31st T3 Commissioning schedule to begin the 2nd week of June

#	PROJECT	STATUS	TIMELINE	COMMENTS/MONTHLY UPDATE
	18 Rowan Street Renovation	<ul style="list-style-type: none"> Property Acquired, house demolished and lot repaved Final step is to site a material storage facility on the site 	Summer of 2018	<ul style="list-style-type: none"> Since May 2017, the CAM Application was submitted. Met with Gill & Gill to review project and develop bid specs Bid packages being developed and will be available in January. Revised project schedule being developed. Bids received from 4 companies. Price exceeded expectations. Value engineering recommendations were requested from the bidders. Review of bids and valued engineering taking place. Contractor selected and approved by Commission on March 5th Contract is being reviewed by attorneys Contract signed Meeting with Contractor and Gil & Gil held on June 7th Monthly status meetings planned Project submittals being reviewed and approved by TTD and Gil & Gil Contractor in the process of obtaining building permit from city Building Permit issued Site work began on Jan 2nd Building delivery scheduled for Feb 28th Excavation began on Mar 25th Foundation formed and ready for concrete

#	PROJECT	STATUS	TIMELINE	COMMENTS/MONTHLY UPDATE
12)	<u>MISCELLANEOUS</u> <ul style="list-style-type: none"> Norden Generators 	Periodic testing for “Black Start” backup to the Norden facility and run into the ISO LFR Market	On-going	<ul style="list-style-type: none"> Received a Consent Order from CT DEEP regarding stack testing issue from 2013. Commission addressed the issue at the June 25th Commission meeting. Consent order civil penalty has been paid and accepted by CT DEEP.
	<ul style="list-style-type: none"> Solar Projects 	Potential projects discussed with residential and commercial customers	On-going	<ul style="list-style-type: none"> Staff continues to work with customers interested in pursuing solar projects in TTD’s service territory.
	<ul style="list-style-type: none"> Commercial Customer Visits 	On-going as schedules permit	Throughout 2018	<ul style="list-style-type: none"> Met with owner of 25 Van Zant Street Will schedule visits with customers throughout the coming year Met with Dooney & Bourke
	<ul style="list-style-type: none"> Economic Development Initiatives 	On-going meetings with Elizabeth Stocker, the City of Norwalk’s Economic Development Director and Laoise King, City of Norwalk’s Chief of Staff	Throughout 2018	<ul style="list-style-type: none"> City hired new Chief of Economic and Community Development, Jessica Casey

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13)	State (CT DOT) Bridge Projects	Initial letter from CT DOT to TTD issued in March 2016. Regular updates have been received from CT DOT / Parsons Brinkerhoff as information is required	Apr 2019- Sep 2024	<ul style="list-style-type: none"> • May 2017 – Continued to work with CT DOT officials on the various bridge projects through attendance at scheduled meetings, etc. Several of these projects are reaching the 30% design/development phase, which triggers additional meetings and coordination efforts. • Requested and received from the State of CT the current listing of properties that are being acquired for the projects. • Requested updated list of properties being acquired from the State of CT following the redesign/change to the location of the Fort Point St RR Bridge. • Received information from the State that no additional full acquisitions are occurring. Re-requested a list of properties from the State. • Received and forwarded to the Commission the revised listing of properties affected by the state projects. • Received the 60% project submissions from the State of CT. TTD reviewing the submissions and meeting with State to review.
14)	LED Flood/Security Light Upgrade	On-going until completed	To be finalized in 2018	<ul style="list-style-type: none"> • 99% of the security lights have been upgraded to LED.

#	PROJECT	STATUS	TIMELINE	COMMENTS/MONTHLY UPDATE
15)	Verizon Small Cell Antenna Project/Co-Location Equipment Attachments	<ul style="list-style-type: none"> Verizon request to attach “Small Cell Antennas” on certain TTD poles. We anticipate they will attach to three to five poles in the system. CMEEC Legal is developing a “Master Lease Agreement” on behalf of the MEU’s statewide outlining the terms and conditions for attachment 	In process – finalizing in the next 30-60 days	<ul style="list-style-type: none"> May 2017 – Final comments have been received from all the Municipals on a draft of a Master Lease Agreement with Verizon. A “Lease Rate” is part of this agreement, similar to what we charge Cablevision for a pole attachment rate, and will result in some small incremental revenue to TTD on an annual basis (less than \$1,000/year) Master Lease Agreement has been finalized by CMEEC Attorney and Verizon. Other MEUs have executed the agreement with Verizon Verizon interested in attaching to multiple TTD poles Attachment rate needs to be developed Received comments back from vendor on attachment agreement. Reviewing comments
16)	Commercial Lighting Retrofits	On-going	On-going	<ul style="list-style-type: none"> Staff reviewing the forms used for the lighting projects, possible changes to be implemented. Lighting project completed at the Marvin Dooney & Bourke completed lighting retrofit, incentive paid to D&B

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17)	Veteran's Park Ice Rink		Fall – Winter months	<ul style="list-style-type: none"> • Staff to monitor status of rink installation • Rinks will not be returning to Vet's Park • Letter sent to rinks owner to determine status of rinks • Received reply from owner indicating business has been closed • Forwarded letter to attorney for review
18)	Tree Trimming	On-going	<p>Tree trimming will typically occur during the winter months.</p> <p>Spot trimming will occur on an as needed basis during the spring, summer and fall.</p>	<ul style="list-style-type: none"> • Streets trimmed in current fiscal year: Emmerson St, Myrtle St Ext, various other spot locations • Streets/areas planned for trimming: Roland St, Howard Ave, Triangle St, Winfield – Triangle to Duck, Strawberry @Winfield
19)	East Ave Road Widening Project / Undergrounding of Electric Utilities	Study of undergrounding of electric distribution system		<ul style="list-style-type: none"> • Staff, at the approval of the Commission has been working with the City to develop a conceptual plan of undergrounding a portion of East Ave • Letter sent to Mayor Rilling stating the District's understanding a position related to the East Ave Design Project • Report of Undergrounding provided to Commission for discussion at the May 6th Commission meeting